

LETTER FROM THE COMMISSIONER

October 1, 2005

The Honorable Mitchell E. Daniels, Jr.
Governor, State of Indiana
State House, Room 206
Indianapolis, Indiana 46204-2797

Dear Governor Daniels:

I am happy to be able to present you the Indiana Department of Revenue's fifteenth annual report, covering Fiscal Year 2005 (July 1, 2004 - June 30, 2005), as required by law.

As you will see from this report, the Department rolled out several new programs during FY05, including:

- A revised, more user-friendly Web site
- Online bulk-form ordering
- A new electronic method for businesses to manage their state tax accounts
- A new multipurpose consolidated sales-tax-exemption certificate that combined previous forms.

In the Department's collections efforts, two programs helped boost collections from past due tax accounts:

- INdebt, the program that posted delinquent taxpayer names to the Internet beginning July 1, 2004, brought in over \$2 million dollars in its first two months, alone
- Expansion of the Department's electronic transmission of tax warrants to and between collection agencies, county clerks and sheriffs' departments throughout the state saved more than a million dollars as of November 1, 2004.

In Fiscal Year 2006, the new administration that arrived during the latter half of FY05, is planning even further improvements in the following areas:

- **Department organization** -- Restructuring the Department to make it more efficient and more effective, to promote better customer focus and provide a one-stop-shop for taxpayers' questions.
- **Customer focus** -- Giving taxpayers answers to their questions in a timely and consistent manner with an emphasis on respect and professionalism toward taxpayers, treating them as our customers and our reason for being here.
- **People** -- To fully carry out the emphasis on customer focus, the Department will strive to ensure that the right people are in the right jobs, which will promote greater efficiency and effectiveness. Professional development will also be a key part of efforts to achieve this goal.

Sincerely,


John Eckart
Commissioner